STATE ENVIRONMENTAL POLICY ACT (SEPA) MITIGATED DETERMINATION OF NONSIGNIFICANCE (MDNS)

for the proposed **COLUMBIA ETHANOL FACILITY**

Description of proposal:

The proponent would construct and operate an ethanol manufacturing plant on a 30-acre site southeast of Kennewick, in Finley, Washington. The plant would occupy a parcel adjacent both to the Columbia River and to the existing Agrium US Inc., Finley fertilizer plant.

Using field corn as a feedstock, the plant would produce approximately 55 million gallons of ethanol per year. The producer would collect the ethanol in above-ground tanks, for blending with unleaded gasoline. It would store the blended product in the two largest tanks (750,000 gallon capacity) on site until its transfer to trucks or rail cars for transport off-site.

Proponent:

Columbia Ethanol Plant Holdings, LLC

Location of proposed facility, including street address:

The Finley fertilizer plant site (currently owned by Agrium US Inc.) is located on a parcel addressed as 231610 East Game Farm Road, Kennewick, Washington 99337. Its front lies between Cochran and Lechelt Roads, immediately west of the Corps of Engineers land, bordering the Columbia River. The proponent would construct the Columbia Ethanol Plant on a portion of the Finley fertilizer plant's parcel.

Additional mitigation:

In addition to the mitigation requirements contained in the original SEPA Environmental Checklist, and the Checklist Addendum for this project, under this MDNS the proponent must comply with **Specific Measures to Mitigate Noise** (included at the request of Benton County Planning Department):

- A. Sound-proof enclosures for the hammer mill and other production equipment with potential high noise levels.
- B. An additional addendum to the base-line Noise Study the proponent submitted with the SEPA Environmental Checklist. This addendum will summarize noise data collected after the ethanol production plant startup during Phase 1.
- C. If results of the Noise Study conducted after the plant startup indicates a need for more noise mitigation, the proponent must identify and implement it at that time.

Lead regulatory agency:

Washington State Department of Ecology

Ecology determined: With mitigation described in the attached Checklist and Addendum, this proposal will not "have a probable significant adverse impact" on the environment. We do not require the proponent to provide a formal Environmental Impact Statement under RCW 43.21C.030 (2)(c). Ecology reached this decision after our review of the completed environmental checklist and evaluation of other information on file with us.

To request copies:

Copies of the information on which we based our decision are available to the public upon request. Send your request for copies to the Department of Ecology, care of either:

or

Nancy Kmet, Industrial Section P. O. Box 47706 Olympia, WA 98504-7600

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Holly Cushman, Central Region 15 West Yakima Ave., Ste. 200 Yakima, WA 98902

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Submit written comments:

Ecology issues this MDNS as prescribed under WAC 197-11-340 and WAC 197-11-350; but we will not act on this proposal for 14 days from September 28, 2006. If you think this SEPA Determination was based on faulty information, write to us. Ecology must receive any comments about this MDNS by close of business on October 12, 2006. Send your comments to the postal address above (left):

Responsible official: Merley F. McCall
Position/title: Industrial Section Manager
Address: Washington Department of Ecology
P O Box 47706
Olympia, WA 98504-7600

Date: October ____, 2006 Signature ____